

The complaint

Mr B has complained that Wescot Credit Services Limited sent him the wrong settlement figures.

What happened

Both sides are most familiar with the case, so I'll summarise things in brief.

Wescot were acting as debt collectors for two debts that Mr B owed.

Mr B offered a total of £2,830 to partially settle the two accounts. Wescot referred this to the owner of the debts, who turned down the offer but said they'd accept a total of £4,940.48. Wescot confirmed this amount to Mr B a number of times by phone, letter, and email.

However, a Wescot staff member made an error when writing to Mr B on 29 July 2022. They accidentally put Mr B's original offer (£2,830) as the settlement figure, when they'd meant to put down the debt owner's counter-offer of £4,940.48.

Mr B accepted the debt owner's counter-over and paid £4,940.48 to partially settle the accounts. But he later found the erroneous correspondence and complained. He feels that Wescot deliberately tricked him into paying more.

Wescot apologised and explained their mistake. They confirmed that Mr B had paid the correct offer of £4,940.48, and their staff member had simply made a mistake and used the wrong figures on 29 July. They've offered Mr B £200 compensation to put right the upset that their error caused.

Our investigator looked into things independently and thought Wescot's offer was fair. Mr B didn't agree, so the complaint's been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having looked at the records of the accounts, I can see that the debt owner did *not* accept Mr B's original offer of £2,830. They said they'd accept £4,940.48. The correspondence of 29 July 2022 was mistaken. Even if Mr B had paid £2,830 instead of £4,940.48, that would not have settled these accounts, because the debt owner never accepted that lower offer. He paid the correct amount by paying £4,940.48.

I have found no evidence which shows or substantiates that Wescot deliberately misled Mr B. The records are clear that the debt owner only accepted £4,940.48 and not £2,830. And aside from on 29 July 2022, Wescot otherwise clearly and consistently gave Mr B the correct settlement figures. As far as I can see, a staff member simply got mixed up on one occasion and put down one set of figures instead of the other. It's a relatively straightforward mistake to make.

As I mentioned above, I can see that Wescot otherwise made it clear what the correct figure was. I can see that Mr B was aware of the correct figure, as he paid the correct figure.

Just because Wescot gave Mr B the wrong figure once, it doesn't mean they should be held to that amount. For one thing, they're only the debt collector here – they don't actually own the debts, so they couldn't force the debt owner to accept the lower figure anyway. More importantly, just because Wescot wrote down the wrong thing by accident, it doesn't follow that they have to then do the wrong thing. For example, if they'd accidentally written down a settlement figure that was too high, I wouldn't conclude that Mr B had to overpay the debt just because that's what was written down once. Similarly, just because they put down a figure that was too low here, it does not mean that they have to accept that overly-low figure. The right thing is for them to accept the *correct* figure – which here was £4,940.48.

Of course, I do understand that Wescot caused Mr B some real confusion and upset by accidentally writing down the wrong figure. In terms of putting that right, instead of telling businesses to do the wrong thing, we often tell them to pay compensation – to acknowledge their mistake and the impact it had. In terms of the amount of compensation, it's worth bearing in mind that we're not here to issue fines or to punish businesses. We have guidelines about what levels of compensation to award, and I need to be consistent with those. Taking into account the impact this had on Mr B in terms of confusion and upset, I think Wescot's offer of £200 is fair to put things right here.

My final decision

For the reasons I've explained, I find that Wescot Credit Services Limited have made a fair offer to put things right in this case. They should pay Mr B the £200 they offered, if they've not done so already. I do not make a further award.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 9 August 2023.

Adam Charles
Ombudsman